

WHAT IS THE IOWA PLAN?

The **Iowa Plan for Behavioral Health** is Iowa's managed care program for certain publicly funded mental health and substance abuse services.

The Iowa **Department of Human Services** (DHS) and the Iowa **Department of Public Health** (DPH) are the State authorities that administer and oversee the Iowa Plan.

Magellan Behavioral Care of Iowa (Magellan) was awarded the current contract to serve Iowa Plan clients through a competitive Request For Proposals process in 2004. Magellan also held the previous Iowa Plan contracts and its predecessors, MHAP (the Mental Health Access Plan) and IMSACP (the Iowa Managed Substance Abuse Care Plan.)

- Magellan staff are located in West Des Moines, Cedar Rapids, Council Bluffs, and Sioux City.

There are **two different funding streams in the Iowa Plan**, each with specific policies and procedures.

- **Medicaid funding for mental health and substance abuse services** (DHS) is based on enrollment. Higher enrollment means more funding for services.
- **DPH funding for substance abuse services** (DPH) is a set annual amount from federal block grants and state appropriations, regardless of the number of clients who present for services.

Magellan is at-risk for Medicaid services and is paid "per member per month".

- 2.5% of Medicaid funding goes directly to a Community Reinvestment fund for enhancement or expansion of behavioral health services and supports.
- A specific, capped percent of Medicaid funding is set for Magellan's administrative costs.
- The rest of Medicaid funding goes to services.
- Any unspent Medicaid service dollars are added to the Community Reinvestment fund.

Magellan is paid a specific administrative fee for DPH-funded substance abuse services.

Two types of clients, consistent with the funding streams, are eligible for Iowa Plan services:

- **Medicaid Enrollees** - Enrollment, determined by DHS, is mandatory and automatic for most Medicaid beneficiaries except for those who are: 65 and older, or living in certain residential settings, or medically needy with a cash spenddown.
 - Contact the Iowa Medicaid Enterprise at 1-800-338-8366 (515-725-1003 in the Des Moines area) or at www.ime.state.ia.us or at IMEMemberServices@DHS.state.ia.us or call the local DHS office or call Magellan at 1-800-317-3738 with questions about enrollment.
- **DPH-Funded Participants** - Providers determine eligibility for DPH-Funded substance abuse services based on the following client criteria:
 - resident of the State of Iowa
 - income at or below 200% of the federal poverty guidelines
 - insufficient 3rd party pay to pay the full billable cost of the service
 - not a Medicaid beneficiary enrolled in the Iowa Plan

1. *How do potential clients know they can receive services through the Iowa Plan?*

Medicaid recipients enrolled in the Iowa Plan receive notification and other information from Magellan when they become enrolled and then every annually after that.

DPH clients go to a contracted provider who determines eligibility.

2. *What does the Iowa Plan system of service look like?*

The Iowa Plan covers a full range of mental health and substance abuse services.

Certain Medicaid mental health and substance abuse services, generally more intensive services like hospitalization, are actively managed by Magellan.

- Providers call Magellan for authorization and for continued stay. Calls are handled 24 hours a day, 365 days a year.

DPH-funded substance abuse services are managed by the provider.

Those services that do not require authorization are monitored by Magellan through retrospective on-site clinical review.

Iowa Plan care decisions must be “necessary”, that is, based on the assessed needs of the client, and are guided by mental health utilization management criteria and by the American Society of Addiction Medicine (ASAM) criteria.

- If Magellan determines a requested Medicaid service is not the most appropriate service for the client based on the clinical information available, an alternative authorization is offered. Clients and providers may appeal Magellan’s decisions.
- DPH-funded substance abuse providers determine client placement.

3. *How does a client access Iowa Plan services?*

Clients go directly to an Iowa Plan provider or call Magellan, 24 hours a day, for assistance or with questions. They should go to any hospital in an emergency.

4. *Who can provide services to Iowa Plan clients?*

The Medicaid provider network is an open panel. Qualified providers contract with Magellan to serve Iowa Plan clients.

Iowa Plan DPH-Funded providers must be licensed by DPH and are selected for contracting through a competitive Request For Proposals process.

5. *What is the system of payment for providers for Iowa Plan services?*

- **For Medicaid mental health and substance abuse services**, providers submit claims to Magellan. 98% of claims are paid within 12 days.
 - Medicaid enrollees can't be billed by the provider for Iowa Plan services.
- **For DPH-Funded substance abuse services**, providers contract with Magellan for a total amount of funding for the year. Magellan pays each provider 1/12th of their annual funding each month.
 - DPH-Funded clients may be billed a co-pay by the provider based on a sliding fee scale that considers income and family size.

6. *How are Magellan and the Iowa Plan monitored?*

There are extensive quality improvement requirements and associated monitoring in the Iowa Plan -- for providers and for Magellan.